

Message Text

LIMITED OFFICIAL USE

PAGE 01 NEW DE 18231 211607Z

ACTION EB-08

INFO OCT-01 EUR-12 NEA-10 ISO-00 INT-05 AID-05 IGA-02

SP-02 L-03 CIAE-00 INR-07 NSAE-00 OMB-01 TRSE-00

OPIC-03 XMB-02 /061 W

-----116570 212211Z /41

R 211224Z DEC 77

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC 8180

INFO USDOC WASHDC

AMCONSUL BOMBAY

AMCONSUL CALCUTTA

AMCONSUL MADRAS

AMEMBASSY VIENNA

LIMITED OFFICIAL USE NEW DELHI 18231

DEPT PLEASE PASS TO USGS & USBRUMINES

E.O. 11652: NA

TAGS: EMIN, BEXP, IN, EQUIP, EINV

SUBJECT: MAJOR PROJECT: ORISSA SPONGE IRON PROJECT

REF: (A) NEW DELHI 15006; (B) NEW DELHI A-225

1. BEGIN UNCLASSIFIED - ON DECMEBER 12, 1977 A CONTRACT WAS SIGNED BETWEEN ALLIS CHALMERS (US) AND THE TOR-STEEL RESEARCH FOUNDATION (PRIVATE SECTOR), CALCUTTA TO SET UP THE FIRST COMMERCIAL SPONGE IRON PLANT IN INDIA. THE PLANT IS TO HAVE AN ANNUAL CAPACITY OF 150,000 METRIC TONS.

2. TOTAL PROJECT COSTS ARE ESTIMATED AT \$26 MILLION OF WHICH THE FOREIGN EXCHANGE COMPONENT WILL AMOUNT TO ABOUT \$11 MILLION FOR PLANT, EQUIPMENT AND KNOWHOW TO BE SUPPLIED BY AC.

3. THE COMPLETION TARGET IS MID-1980. END UNCLASSIFIED

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 NEW DE 18231 211607Z

4. COMMENT: BEGIN LIMITED OFFICIAL USE: WHILE THE PROJECT IS STILL SUBJECT TO FINAL GOI APPROVAL WE ARE OPTIMISTIC THAT THIS WILL BE FORTHCOMING SHORTLY. TOR STEEL REPRESENTATIVE TELLS US THAT THE PROJECT WAS INCLUDED IN THE ORISSA STATE BUDGET WHICH IS NOW BEING CONSIDERED BY GOI PLANNING COMMISSION. HOWEVER, WE UNDERSTAND FROM TOR STEEL AND STATE OFFICIALS THAT LURGI (WEST GERMAN FIRM)

CONTINUES TO "MUDDY THE WATERS" IN AN ATTEMPT TO DISCREDIT
AND OUTBID AC FOR THIS PROJECT. LURGI WAS RECENTLY CHOSEN
OVER AC TO BUILD THE UNIDO FUNDED SPONGE IRON "DEMONSTRATION
PLANT" TO BE SET UP IN ANDRA PRADESH. NEVERTHELESS,
WITH THE PRESENT STRONG BACKING BY THE ORISSA STATE GOVERNMENT AND,
WE ARE TOLD, WITH GOOD SUPPORT BY THE STEEL MINISTRY, WE ARE
OPTIMISTIC THAT THE GOI WILL GIVE TOR STEEL APPROVAL TO
PROCEED WITH AC. THE EMBASSY WILL CONTINUE TO MONITOR
PROJECT AND KEEP DEPARTMENT
INFORMED (END LOU).
GOHEEN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: IRON, SPONGES
Control Number: n/a
Copy: SINGLE
Sent Date: 21-Dec-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977NEWDE18231
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770476-0647
Format: TEL
From: NEW DELHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771231/aaaabaff.tel
Line Count: 73
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: c62816ff-c188-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 NEW DELHI 15006, 77 NEW DELHI A-225
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 26-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 159294
Secure: OPEN
Status: NATIVE
Subject: MAJOR PROJECT: ORISSA SPONGE IRON PROJECT
TAGS: EMIN, BEXP, EQUIP, EINV, IN
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/c62816ff-c188-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009